

# Financial Aid News

## WASHINGTON HIGHER EDUCATION COORDINATING BOARD

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- [HECB secure Web site for aid administrators](#)
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- [State Work Study](#)
- [Washington Promise Scholarship](#)
- [Educational Opportunity Grant](#)
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### HECB releases Strategic Master Plan proposals Board considers ways to strengthen financial aid and establish state tuition policy

The Higher Education Coordinating Board (HECB) is considering new policies to ensure predictable undergraduate tuition for state residents and strengthen state financial aid programs.

The affordability measures are part of a package of proposals for the state's 2004 Strategic Master Plan for Higher Education that the board released for public comment on May 10.

The tuition proposal would limit annual increases in undergraduate resident tuition to 10 percent or less, and would hold increases over any consecutive four-year period to 31 percent or less. Colleges that could not operate under that framework could negotiate with the state for temporary flexibility.

Such a move would help students and families plan for college costs and help the state's Guaranteed Education Tuition (GET) program achieve long-term sustainability, according to the proposal.

The board also is considering six strategies to improve state financial aid programs:

- Funding the State Need Grant program to provide grants that cover 100 percent of tuition, and to serve all eligible students with family incomes at 65 percent or below the state's median.
- Increasing funding for the Educational Opportunity Grant program to help more financially needy transfer students earn bachelor's degrees.
- Funding a new State Work Study program initiative to employ more financially needy students in high-demand career fields.
- Providing consistent funding and predictable award amounts for the Promise Scholarship program.
- Developing a new aid program for full-time workers who attend college less than half time.
- Maintaining the purchasing power of all state aid programs.

Other master plan proposals include changes to higher education financing, increases in general and high-demand enrollments, creation of a statewide transfer system, a greater focus on regional decision making, stronger ties between K-12 and higher education, and new performance measures for colleges and universities.

You can read the [policy proposals](#) on the board's Web site.

The board held public hearings on the proposals on May 20 in Vancouver and May 24 in Wenatchee. Two additional public hearings are scheduled for May 28 in SeaTac and June 2 in Spokane. [Times and locations](#) for the hearings are also online.

The HECB develops a statewide strategic master plan for higher education every four years. The goals of the 2004 plan are to increase the number of degrees earned and better respond to the state's economic needs. The board released an interim plan in December and expects to deliver the final 2004 plan to the governor and Legislature this summer.

### **Work group to review draft rules for future teachers aid program**

The HECB is recruiting people to review draft rules for the Future Teachers Conditional Scholarship program.

The Legislature reconstituted the program earlier this year, which helps recruit new teachers in mathematics, science, technology, special education, and bilingual education. Board staff are currently developing rules for the program.

House Bill 2708 consolidated the administration of four similar aid programs for future teachers. The measure also allows the state to make new awards from appropriations, donations, and past repayments of conditional scholarships. In addition, lawmakers added a loan repayment program for prospective teachers.

The Legislature did not provide money for the program in 2004, but the board expects to use past repayments to make some new awards to students in 2004-05.

Staff will bring interested parties together during the week of June 7 to review draft rules and proposed program procedures before starting the formal rule-making process.

The board will seek public comment on proposed rules for the program after this review is completed, and will likely consider the adoption of final rules by the end of this year.

Aid administrators and others who would like to participate in the draft rules review should contact Mary Swinney at [marys@hecb.wa.gov](mailto:marys@hecb.wa.gov) or (360) 753-7845.

### **GET closes enrollment year with 8,000 new college tuition accounts**

Washington families opened over 8,000 new accounts in the state's Guaranteed Education Tuition (GET) program during the 2003-04 enrollment period, which closed on March 31.

GET allows anyone to prepay for college tuition by purchasing "units" that can be used later, when a student attends college. Purchasers are able to lock in the cost of college tuition at the current unit price — \$57 in the enrollment period that just closed.

It takes about 100 units to cover a year of tuition and state-approved fees at the state's research universities, 78 units at regional four-year universities, and 45 units at community and technical colleges. GET units

may also be used at private and out-of-state colleges, as well as certain international schools.

The program has sold more than 9 million units for a total of \$471 million since its inception in 1998.

"Families are seeing the value of establishing GET accounts for their children's future tuition," said GET director Betty Lochner. "Each year, thousands of additional Washington families enroll their children or grandchildren to help plan for the rapidly rising cost of college. This fall, tuition will again increase at our state's colleges by as much as 7 percent. GET accounts let families lock in the cost of tuition at today's unit price, with the guarantee of the state of Washington behind them."

HECB executive director Jim Sulton praised the program's sound financial footing.

"While other states have had to close enrollments in their pre-paid tuition programs, GET remains healthy and viable. It's a true success story about what states can do to help students, parents and families plan for college."

The HECB administers the GET program.

Current account holders can purchase GET for \$61 a unit between now and Aug. 31. The program may establish a new unit price in August, effective Sept. 1. Enrollment for new accounts will reopen on Sept. 15.

You can learn more about GET by visiting the program's [Web site](#) or by calling, toll-free, 1-877-438-8848.

### GET at a glance

The Legislature created the Guaranteed Education Tuition program in 1997. GET opened its first account in 1998.

GET is an IRS Section 529 program and all growth in the accounts is tax-exempt when used for eligible education expenses.

The student must be a state resident to qualify for a GET account, but individuals from out of state may purchase GET units for in-state students.

<b>New accounts in 2003-04</b>	<b>8,013</b>
<b>Total accounts since 1998</b>	<b>44,253</b>
<b>Units purchased in 2003-04</b>	<b>1.4 million</b>
<b>Units purchased since 1998</b>	<b>9.1 million</b>
<b>Unit price (effective May 1 – August 31, 2004)</b>	<b>\$61</b>
<b>Number of students eligible to use GET benefits in fall 2004</b>	<b>4,100</b>

## **Community college board changes waiver policies for basic skills and apprenticeship programs**

The State Board for Community and Technical Colleges (SBCTC) has announced changes to its fee waiver policies that could require students in basic skills courses to pay fees for the first time, and could raise the fees required of students in apprenticeship programs. The changes take effect this fall.

In a memo to community college presidents outlining the changes, SBCTC executive director Earl Hale said the board's actions were in response to a tuition waiver review that began in September. That review was prompted by legislative cuts in state support for tuition waivers in the 2003-05 state operating budget, Hale said.

The SBCTC has dropped its current mandatory 100 percent tuition waiver for basic skills courses in favor of a \$25 charge per student, per quarter. Colleges were granted flexibility to waive the \$25 charge for students who cannot pay.

It also reduced its current mandatory two-thirds tuition waiver for apprenticeship courses to a mandatory 50 percent waiver of tuition and services and activities fees.

In a resolution authorizing the changes, the SBCTC encouraged college districts to consider assisting basic skills and apprenticeship students with financial need through the use of waivers over which community colleges have local control. It directed SBCTC staff to explore options for using federal and new state funding to offer basic skills and apprenticeship instruction. And it charged its staff to convene a task force from among its member institutions to identify methods for collecting tuition for basic skills and providing need-based waivers.

The SBCTC took the action at its March 11 and May 6 meetings.

## **States increased aid to students again in 2002-03**

States increased financial aid to students in 2002-03 for the fifth consecutive year, according to an annual survey by the National Association of State Student Grant and Aid Programs (NASSGAP).

States awarded \$6.9 billion in student aid in the 2002-03 academic year, an increase of 9 percent over the year before. The growth rate has been slowing, however. Previous surveys reported a 9.8 percent increase in 2001-02 and a 14.5 percent increase in 2000-01.

In an interview with *The Chronicle of Higher Education*, NASSGAP president Maureen Laffey said that states have responded to rising tuition and falling appropriations, even in the midst of an economic downturn.

"States have come through by showing their commitment to increasing state funding for financial aid," Laffey said.

John Klacik, HECB associate director for financial aid, told the *Chronicle* that Washington State provided an additional \$14.3 million in student aid in 2002-03 to help offset 12 to 16 percent tuition increases at public colleges. Klacik said the new money covered 70 percent of the increased tuition for State Need Grant (SNG) recipients, and also provided SNG awards to an additional 3,000 students.

You can download the 2002-03 survey report, as well those dating back to 1994-95, at NASSGAP's [Web site](#). The *Chronicle* [article](#) is available online to subscribers.

### ***Financial Aid News* readers can now manage their own subscriptions**

**If someone else has been forwarding the *News* to you, you can sign up for direct delivery**

Beginning with this issue, the HECB is sending the *Financial Aid News* through an electronic service that lets people join or leave the distribution list by visiting a Web site.

Until now, distribution of the newsletter was limited to financial aid directors and a few interested stakeholders. Now, anyone interested in the *News* — including other financial aid staff — can sign up for direct delivery. Those who no longer want to receive the *News* can also use the Web site to cancel their subscription.

To subscribe or unsubscribe from the *News*, visit <http://listserv.wa.gov/cgi-bin/wa?SUBED1=hecbfanews&A=1> and follow the instructions.

Becki Collins, HECB director of education services, said she hopes anyone who is interested will subscribe to the *News*, especially those who work in college financial aid, student services, and business offices.

"This is a good tool to keep people informed about financial aid developments at the Higher Education Coordinating Board and in the state as a whole," Collins said.

The *Financial Aid News* publishes weekly during the legislative session, and monthly at other times.



## Calendar

### HECB hearings on the 2004 Strategic Master Plan for Higher Education

**May 28 — Radisson Hotel, SeaTac, 1 – 4 p.m.**

**June 2 — WSU – EWU Riverpoint Campus, Spokane, 1 – 4 p.m.**

The board will hear public testimony about the latest draft of the Strategic Master Plan. Previous hearings were held on May 20 in Vancouver and May 24 in Wenatchee. You can read the latest [policy proposals](#) and get more [details](#) about the hearings on the board's Web site.

### New SWS community service project proposals

**June 1 postmark**

The program provides funds for small teams of SWS students to work in community service projects. You can download a [Request for Proposals \(RFP\)](#) from the board's Web site. For more information, contact Jeffrey Powell at [jeffreyp@hecb.wa.gov](mailto:jeffreyp@hecb.wa.gov) or (360) 704-4150. You can also read more about the RFP process in the [April 23 issue](#) of the *Financial Aid News*.

### WICHE national meeting — Changing direction: Integrating higher education financial aid and financing policy

**June 7 – 9 — Red Lion Hotel on Fifth Avenue, Seattle**

A national meeting sponsored by the Western Interstate Commission for Higher Education (WICHE), American Council on Education, State Higher Education Executive Officers, and National Conference of State Legislatures. Sessions include data for accountability, aligning federal and state policy, financial aid and student persistence, alternative approaches to higher education financing, declining revenue streams and rising demand, targeting retention for community college students, the outlook for revenue streams and higher education, and retention strategies that work. More information is available on the [WICHE Web site](#).

### Unit Record training

**July 14 — Bellevue Community College, Room A-133, 9:30 a.m. – 12:30 p.m.**

This workshop will introduce Unit Record reporting requirements and the Web-based data entry and edit application. Training is designed for new staff members with Unit Record responsibilities, but anyone looking for a refresher course is welcome. Parking is available in the Bellevue Community College student lots only. For more information, contact Bruce Parrish at [brucep@hecb.wa.gov](mailto:brucep@hecb.wa.gov) or (360) 753-7853.